

Message Text

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ACTION EA-12

INFO OCT-01 EUR-12 ISO-00 CIAE-00 COME-00 EB-08 INR-07

LAB-04 NSAE-00 PA-01 SIL-01 USIA-06 PRS-01 OPIC-03

OES-07 SP-02 /065 W

-----014826 271033Z /12

R 270842Z DEC 77

FM AMEMBASSY MANILA

TO SECSTATE WASHDC 9663

INFO AMEMBASSY BANGKOK

AMEMBASSY JAKARTA

AMEMBASSY KUALA LUMPUR

AMEMBASSY SINGAPORE

AMEMBASSY BRUSSELS

AMEMBASSY CANBERRA

AMEMBASSY OTTAWA

AMEMBASSY WELLINGTON

AMEMBASSY TOKYO

AMEMBASSY HONG KONG

AMEMBASSY PORT MORESBY

AMEMBASSY RANGOON

AMEMBASSY SEOUL

AMEMBASSY TAIPEI

USLO PEKING

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E.O. 11652: NA

TAGS: ETRD, BEXP, ASEAN

SUBJECT: ASEAN TRADE FAIR

REF: STATE 303985

1. SUMMARY. EMBASSY DELIVERED NOTE NO. 753 ON DECEMBER 22 TO ASEAN TRADE FAIR SECRETARIAT, EMBODYING VERBATIN TEXT PROVIDED REFTEL. EMBOFF THEN CALLED DECEMBER 27 ON LIMITED OFFICIAL USE

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EDSEL CUSTODIO, SECRETARY GENERAL OF ASEAN TRADE FAIR, AND DISCUSSED POINTS MENTIONED IN NOTE AND FURTHER CITED IN REFTEL, AND SOLICITED HIS RESPONSE AS REQUIRED. RESPONSE IS DETAILED BELOW. END SUMMARY.

2. AS REQUESTED, EMBASSY DELIVERED NOTE NO. 753 ON DECEMBER 22 TO ASEAN TRADE FAIR SECRETARIAT AND MADE

APPOINTMENT FOR FOLLOWING WEEK WITH SECRETARY GENERAL
EDSEL CUSTODION WHO WOULD BE RETURNING FROM SINGAPORE.
NOTE EMBODIED VERBATIM TEXT PROVIDED IN PARA THREE OF
DEPTEL.

3. EMBOFF CALLED DECEMBER 27 ON CUSTODIO AND DISCUSSED
THE POINTS MENTIONED IN THE NOTE. CUSTODIO WAS APPRE-
CIATIVE OF USG SUPPORT OF THE FAIR AND THE USG OFFER
TO PUBLIWCIZE IT AND ASSIST AMERICAN ATTENDEES. EMBOFF
DESCRIBED NUMBER OF WAYS PUBLICITY COULD BE CARRIED
OUT, BUT WE WOULD REQUIRE PRESS RELEASE FOR "COMMERCE
AMERICA" AND "TRADE USA" AS WELL AS COMPLETE INFORMA-
TION ON PRODUCT EXHIBITS FOR THE RECRUITMENT OF TRADE
MISSIONS AND OTHER ATTENDEES. CUSTODIO PROMISED TO
PROVIDE PRESS RELEASES AND INFO ON PRODUCTS AS SOON
AS HE COULD. HE GAVE EMBOFF ADVANCE COPIES OF FAIR
BROCHURES (BEING POUCHED EA/EP) AND SAID HE WOULD SEND
US 500 OR 1,000 COPIES LATER.

4. CUSTODIO WELCOMED A USG SEMINAR ON GSP AND ASKED
THAT IT GO ALSO TO THE OTHER ASEAN CAPITALS. HE SUG-
GESTED ALTERNATIVELY THAT THE DESK OFFICERS ON GSP
FROM THE ASEAN COUNTRIES BE INVITED TO MANILA FOR THE
SEMINAR, IN THIS CASE, HE ASKED WHETHER THE USG WOULD
FUND THE TRAVEL AND PER DIEM OF SIX OR EIGHT SUCH
OFFICIALS. EMBOFF UNDERTOOK TO RELAY THIS QUESTION
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TO WASHINGTON. FYI. EMBOFF DID NOT MENTION THAT
INDONESIA IS NOT ELIGIBLE FOR US GSP, BUT DID SAY THAT
WE HELD GSP SEMINAR LAST YEAR IN BANGKOK. END FYI.

5. IN DISCUSSING THE DATE AND PLACE OF THE GSP SEMINAR,
CUSTODIO SAID THAT THE ONLY FIRM SEMINAR NOW IS THE
BANCOM INTERNATIONAL BUSINESS FORUM ON MAY 8 TO 10.
HE WANTED TO KNOW HOW MANY DAYS THE GSP SEMINAR WOULD
RUN AND WHETHER IT WOULD GO BEYOND A DESCRIPTION OF
THE BASIS SCHEME AND EXPLANATION OF ADMINISTRATIVE
PROCEDURES. REFERRING TO THE ASEAN EXPERIENCE WITH
THE EC, CUSTODIO SAID THAT ASEAN PARTICIPANTS WOULD
CERTAINLY LIKE TO HAVE A CONSULTATIVE TYPE OF MEETING
WITH THE USG OFFICIALS, THAT IS, AN EXCHANGE OF VIEWS
ON THE INCLUSION OF NEW PRODUCTS, ETC.

6. ASEAN TRADE SECRETARIAT HAS RENTED A BLOCK OF
CONFERENCE ROOMS IN THE PHILIPPINE INTERNATIONAL
CONVENTION CENTER FROM THE CENTRAL BANK WHICH OWNS AND
OPERATES THAT FACILITY. THERE WILL BE A CHARGE FOR
THE ROOMS, AND THAT PRESENTLY IS BEING WORKED OUT.
CUSTODIO SUGGESTED THAT THE GSP SEMINAR BE HELD IN

THE PICC ALONG WITH THE OTHER SEMINARS.

7. ON PUBLICITY FOR THE GSP SEMINAR, CUSTODIO SAID
THAT THE SECRETARIAT WOULD PLEASE RELEASES IN THE DAILY

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FM AMEMBASSY MANILA
TO SECSTATE WASHDC 9664
INFO AMEMBASSY BANGKOK
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PRESS, PUBLICIZE THE SEMINAR IN THE TRADE FAIR NEWS-
LETTER, AND ALSO CONDUCT A DIRECT MAIL CAMPAIGN. HE
ASKED WHETHER THE SEMINAR WOULD BE DIVIDED INTO
SESSIONS FOR GOVERNMENT OFFICIALS AND BUSINESSMEN, OR
WHETHER IT WOULD BE JOINT.

8. EMBOFF MENTIONED TO CUSTODIO THAT THE STATES OF
HAWAII AND WASHINGTON, AND THE PHILIPPINE CHAMBER OF
COMMERCE AND INDUSTRY OF AMERICA (PCCIA) ARE CONSIDER-
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ING ORGANIZING TRADE MISSIONS TO THE FAIR. PCCIA IS QUITE FAMILIAR TO THE DEPARTMENT OF TRADE, WHOSE SPECIAL REPRESENTATIVE IN THE US, SERAFRIN DAOUF, WORKS CLOSELY WITH IT. PLANS OF THE PACIFIC NORTHWEST COMMISSION AND THE YOUNG PRESIDENTS ORGANIZATION WERE ALSO DISCUSSED WITH CUSTODIO. REGARDING THE PACIFIC NORTHWEST AGRICULTURAL AND FORESTRY SEMINAR (STATE 298614) CUSTODIO SAID THAT IT SHOULD BE INTERESTING FOR INDONESIA, WHICH IS PLANNING ITS NATIONAL EXHIBIT WITH A FORESTRY ORIENTATION.

9. EMBOFF DESCRIBED PACIFIC BASIC ECONOMIC COUNCIL (STATE 251810) AND GAVE CUSTODIO ADDRESS OF PBEC EXECUTIVE VICE PRESIDENT DR. WELDON B. GIBSON, CUSTODIO THOUGHT HE MIGHT HAVE BANCOM GET IN TOUCH DIRECT WITH PBEC, PARTICULARLY TO RECRUIT PBEC MEMBERS FOR THE BANCOM SEMINAR (THE FEE FOR WHICH IS \$300). FYI. DEPTTEL GIVES DATE OF PBEC MEETING AS MAY 7 TO 10. HOWEVER, STATE 251114 MENTIONED APRIL 8 TO 10 AS DATE. PLEASE ADVISE CORRECT DATE. END FYI.

10. APROPOS OF SEMINAR ON AUTOMOTIVE PARTS PRODUCTION REPORTED IN SINGAPORE 5539, CUSTODIO SAID THAT THIS WAS "HIS BRAINSTORM", WHICH HE HAS NOT CHECKED OUT WITH THE INDUSTRY. HE THOUGHT SUCH A SEMINAR WOULD ASSIST IN UPGRADING THE QUALITY OF PARTS PRODUCED IN ASEAN COUNTRIES AND ENHANCE THEIR ACCEPTABILITY BY MULTINATIONALS (I.E., FOR EXPORT), AND ALSO PROVIDE GUIDELINES TO COMPLEMENTATION SCHEMES. EMBOFF SAID HE WOULD REPORT THE ABOVE SUGGESTION.

11. FYI. MAJOR AUTO COMPONENT MANUFACTURERS IN THE PHILIPPINES ARE GENERAL MOTORS (TRANSMISSIONS), CHRYSLER, LIMITED OFFICIAL USE

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ACTUALLY MITSUBISHI MAJORITY (TRANSMISSIONS), AND FORD (BODY STAMPING). ALL OF FORD PRODUCTION AND MOST TRANSMISSIONS UNITS ARE EXPORTED. ONLY OTHER U.S. PART MAKER IS DANA, WHICH IS STRUGGLING ALONG ON 300 UNITS PER MONTH OF AXLES AND PROPELLER SHAFTS. REASON IS THAT GOP HAS NOT FULFILLED PROMISE OF INCREASING LOCAL CONTENT AND HENCE IMPOSING REQUIREMENT FOR LOCALLY MADE AXLES AND SHAFTS. PARTLY BECAUSE OF DANA'S UNHAPPY EXPERIENCE (IT HAS SINCE RE-EXPORTED MOST OF ITS EQUIPMENT), ROCKWELL INTERNATIONAL HAS DECIDED

PHILIPPINE INVESTMENT CLIMATE IN AUTO INDUSTRY WAS NOT
PROPITIOUS AND HAS SHELVED ITS PLANS FOR A \$4.8 MILLION
PLANT TO MANUFACTURE HEAVY DUTY AXLES AND BRAKES. (SEE
"BUSINESS ASIA, SEPT 9, 1977, PP. 284-285, END
FYI.

12. COMMENT. NONETHELESS, A SEMINAR ALONG THE LINES
SUGGESTED BY CUSTODIO COULD SERVE THE INTERESTS OF THE
FOUR EXISTING U.S. AUTO COMPONENT MANUFACTURERS. WE
KNOW DANA WOULD SEIZE OPPORTUNITY TO INGRATiate ITSELF
WITH THE GOP. DANA CONTACT WOULD BE VP FOR CORPORATE
RELATIONS FRANK BOSS IN TOLEDO, OHIO. TELEPHONE (419)
535 4500. END COMMENT.

13. CUSTODIO CONCLUDED BY PROMISING TO FURNISH
ADDITIONAL INFORMATION IN WRITING, INCLUDING SPECIFIC
REPLY TO PACIFIC NORTHWEST INQUIRY FOR REACTION IN
STATE 298614.
NEWSOM

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Message Attributes

Automatic Decaptioning: X
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Current Classification: UNCLASSIFIED
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Sent Date: 27-Dec-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
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Disposition Approved on Date:
Disposition Case Number: n/a
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Status: NATIVE
Subject: ASEAN TRADE FAIR
TAGS: ETRD, BEXP, ASEAN
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